




Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

MEMORANDUM

TO: Nursing Facility Administrators

FROM: Marlana R. Hutchinson, Acting Director
Office of Long Term Services and Supports 

SUBJECT: Payment Driven Payment Model/Minimum Data Set Item Set

DATE: July 13, 2020

On May 15, 2020, the Centers for Medicare and Medicaid Services (CMS) released Minimum Data Set (MDS) version 1.17.2, which will be effective October 1, 2020. This item set has an option for supporting the calculation of Patient Driven Payment Model (PDPM) payment codes on OBRA assessments when not combined with the 5-day Skilled Nursing Facility (SNF) Prospective Payment System (PPS) assessment, specifically the OBRA comprehensive (NC) and OBRA quarterly (NQ) assessment item sets, which was not possible with item set version 1.17.1. This revised item set by CMS offers the Maryland Department of Health (MDH) additional time to begin evaluating PDPM or a PDPM-like payment system for Medicaid in the future.

Effective October 1, 2020, MDH will be requiring the reporting of the PDPM payment codes on the OBRA assessments when not combined with a 5-day SNF PPS assessment. These additional data elements are necessary in order for MDH to begin modeling and planning for a potential transition to PDPM. As we know from communications from CMS, the Resource Utilization Group (RUG) system will not be supported indefinitely; therefore, MDH would like to be proactive in gathering data to allow for adequate time to evaluate next steps.

As previously communicated, this MDS version will not require the Optional State Assessment (OSA). The item set effective October 1, 2020, will include certain MDS fields on the OBRA assessments for Medicaid to begin collecting data for a potential PDPM transition while continuing RUG reimbursement. Since the PDPM items will appear on the OBRA MDS, providers will not need to submit separate MDS assessments.

Details on training for the new item set and the Maryland requirements will be communicated at a later date.

Questions regarding this communication may be directed to Mary Tarenika, MDS Coordinator, Office of Health Care Quality at mary.tarenika@maryland.gov.

cc: Nursing Facility Liaison Committee